

Remarks:

Applicant thanks the Examiner for the courtesies extended during the telephonic interview with the undersigned on April 28, 2009 during which the claims and the cited references were discussed. By this amendment, all previously pending claims have been canceled without prejudice, and new claims 81-138 have been added. Applicant has also amended the specification as set forth above. No new matter is included herein. For example, with reference to the amendment to the specification, a person having ordinary skill in the art would unquestionably recognize that the computers depicted in original Figure 7 included a processor and associated memory that are configured to execute a software program. The current independent claims are claims 81, 100, 104, 110, 129 and 133.

The outstanding Office Action rejected former claim 69 under 35 USC 112 for allegedly being non-enabled, based on an interpretation that claim 69 was a single element "means plus function" claim. Applicant respectfully submits that this rejection has been rendered moot by virtue of the claim cancellations herein.

The outstanding Office Action also rejected former claims 37, 43-44 and 69-74 for alleged indefiniteness. Applicant also respectfully submits that these rejections have been rendered moot by virtue of the claim cancellations herein.

The outstanding Office Action rejected the former method claims of this application under 35 USC 101 for allegedly being directed toward nonstatutory subject matter. Applicant respectfully submits that method claims 81-109 comply with 35 USC 101. Independent method claims 81, 100 and 104 are tied to a particular machine, as required by the "machine-or-transformation" test announced by In re Bilski, 88 USPQ2d 1385 (Fed. Cir. 2008). For example, the bodies of independent claims 81, 100 and 104 expressly recite that the "method steps are performed by a processor in response to executing a software program". From the interview, it is Applicant's understanding that the Examiner agrees with Applicant that method claims 81-109 comply with 35 USC 101.

The outstanding Office Action also rejected the former independent claims of this patent application for obviousness based on the combination of Colella (USPN 6,003,006) and Gardner ("Pharmaceutical Scam: Use Audit to Detect 'Pyramid Cube Scheme'"). However, for similar reasons previously expressed in Applicants' Appeal Briefs, Applicant respectfully

submits that the obviousness rejections of claims 81-138 are inappropriate and must be withdrawn.

Independent claim 81 recites a method whereby an "first entity" that is not "own use" discount-eligible (such as a retail pharmacy) can purchase pharmaceuticals on behalf of a "second entity" that is "own use" discount-eligible (such as a nursing home) and still obtain an "own use" discount. As described in the subject patent application, the inventor believes that a first entity such as a retail pharmacy has previously been unable to obtain "own use" discounted pharmaceuticals because pharmaceutical sellers fear that such first entities will "divert" the "own-use"-discounted pharmaceuticals to end users who are not "own use" discount eligible. (See Patent Application; p. 2, lines 12-17; p. 4, lines 14-21). The inventor believes that this inability to purchase "own use"-discounted pharmaceuticals is experienced by first entities such as retail pharmacies even when those entities are purchasing pharmaceuticals on behalf of "own-use" eligible institutions such as nursing homes. (See Patent Application; p. 3, lines 30-32). This is a great problem for the nursing home industry, where an estimated 45% of nursing homes purchase their pharmaceuticals from retail pharmacies, thereby unnecessarily contributing to this nation's crippling health care costs. (See Patent Application; p. 3, line 30- p. 4, line 2; p. 4, lines 14-21).

Applicant respectfully submits that the ability of a first entity that is not "own use" discount-eligible to purchase "own use" discounted pharmaceuticals on behalf of a second entity that is "own use" discount-eligible is a new and nonobvious function and result not disclosed or contemplated by the cited references. To achieve this new and nonobvious function and result, Applicant discloses the steps of "receiving order data corresponding to a purchase request for pharmaceuticals, said order data comprising (1) data representative of a first entity, wherein said first entity is an entity whose purchase of pharmaceuticals for its own use is not eligible for an "own use" discount, and (2) data representative of a first quantity of pharmaceuticals requested for purchase by said first entity on behalf of a second entity" and "receiving report data, said report data comprising (1) data representative of said second entity, and (2) data representative of a second quantity of pharmaceuticals needed for use by said second entity". The method then recites the step of "processing said order data against said report data, wherein the processing step comprises (1) determining that said second entity is an

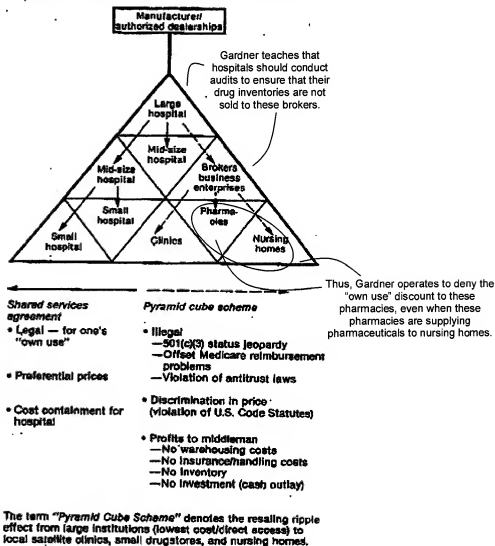
entity whose purchase of pharmaceuticals for its own use is eligible for an “own use” discount, (2) determining that said first quantity matches said second quantity within a pre-determined tolerance, and (3) certifying said purchase request as eligible for an “own use” discount in response to said determinations”. Applicant respectfully submits that the cited references fail to disclose, teach or suggest these steps in combination.

The Gardner reference, which the Office Action relies on for alleged teachings relating to auditing, fails to disclose, teach or suggest the use of an audit on an order of pharmaceuticals by an entity that is not “own use” eligible to determine whether that order is entitled to an “own-use” discount by tracing the need for the ordered pharmaceuticals to a second entity that is “own use” eligible. Instead, Gardner is directed toward entities whose “own use” eligibility is unquestioned (e.g., hospitals) to audit their pharmaceutical inventory to ensure that diversion to ineligible entities does not occur. The addition of Colella’s pharmaceutical usage tracing system to Gardner merely facilitates this diversion check. There is simply no disclosure or teaching in Colella and Gardner that would lead a person having ordinary skill in the art to audit purchase requests from the recited “first entity” (that is not “own use” discount eligible) to assess whether it is acting on behalf of a “second entity” that is “own use” discount eligible. Instead, Gardner teaches away from such an arrangement by expressly discouraging hospitals from selling excess pharmaceuticals to “questionable brokers/business enterprises” who supply “small drugstores” (e.g., retail pharmacies). (See Gardner, p. 74). Gardner discloses no techniques that can be used to establish that the “questionable brokers/business enterprises” are entitled to an “own use” discount.

A shared purchasing agreement, used legally to obtain preferential prices for goods for one’s “own use,” is an acceptable approach to cost containment. The “Pyramid Cube Scheme,” used as an illegal profit for others, should be discouraged, especially for all tax-exempt hospitals. (See Gardner, p. 74).

Thus, Gardner provides strong teachings that hospitals should not sell pharmaceuticals from their inventory to brokers who supply small drugstores by characterizing such a practice as an illegal pyramid cube scheme.

Exhibit 1: Comparison of shared services agreement with 'the Pyramid Cube Scheme'



Thus, Applicant respectfully submits that the Colella and Gardner references fail to render claim 81 obvious. Applicant further submits that independent claims 100, 104, 110, 129 and 133 are patentable over the Colella/Gardner combination for similar reasons. With reference to independent claims 100 and 129, Applicant notes that the cited references fail to disclose the computation of the recited "data value" and then provides the "second entity data" and "data value" to a pharmaceutical supplier for an "own use" discount eligibility assessment.

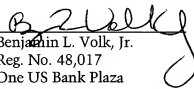
Furthermore, with reference to independent claims 104 and 133, Applicant respectfully submits that the cited references also fail to disclose, teach or suggest the recited "downward adjustment" feature.

Favorable action is respectfully requested.

Respectfully submitted,

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